



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 3/12/2009

GAIN Report Number: TH9035

Thailand

Agricultural Situation

Sawasdee Thailand - Issue3/2009

2009

Approved by:

Mr. Gary W. Meyer, Agricultural Counselor
U.S. Embassy

Prepared by:

FAS Bangkok Staff

Report Highlights:

"SAWASDEE THAILAND" provides the latest information on the Thai agricultural situation and U.S. export opportunities. In this issue you will find: APEC food defense pilot project in Thailand, FDA inspection visit, market access update on goat semen waiver, market intervention programs extended; market opportunities for U.S. exports to Thailand; and other interesting upcoming events.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Bangkok [TH1]
[TH]



SAWASDEE THAILAND

Issue 3/2009

HOT NEWS FROM THAILAND

APEC Food Defense Pilot Project in Thailand

A US team, comprised of representatives from FAS, FDA and private consultants will visit Thailand March 17-20 to initiate an APEC Food Defense Pilot Project. The project aims to increase awareness of the benefits of food security throughout the food manufacturing process. The March visit will be followed by a Raising Awareness Workshop in May.

FDA Inspection Visit

The U.S. FDA inspectors will be travelling to Thailand during March 16-April 3 for inspections of 15 fruit and juice manufacturers to assess compliance with the U.S. sanitation and product safety requirements. The U.S. FDA does these inspections to ensure imported items are in compliance with U.S. food safety and sanitation laws.

Farewell to Khun Maysa

We would like to bid a sad farewell and congratulate one of our FAS staff members on her promotion to Program Specialist with the Customs and Border Protection Agency of the U.S. Embassy. Maysa administered all the details of our Cochran Program, supported Thai importers on issues concerning certificates of free sale, and responded to numerous trade inquiries. Please call 02-205-5106 or e-mail Agbangkok@fas.usda.gov should you require any assistance on these matters.

MARKET ACCESS UPDATE

Goat Semen Waiver

On March 10, the Thai Department of Livestock Development agreed to our request to waive their scrapie-free certification requirement for goat semen. The waiver will permit entry of shipment valued at \$100,000 into Thailand.

Market Intervention Programs Extended

On February 17, the Thai Cabinet extended market intervention programs for corn, palm oil, and tapioca products for MY 2008/09. Depending on domestic demand for these commodities and

the relative utilization of these programs, the government may end up exporting surplus commodities through government tenders, particularly for corn. Under these programs, the mortgage/purchase prices for all three commodities, especially corn and tapioca, are currently above market prices.

Excise Tax on Tea, Coffee and Other Caffeinated Beverages to Increase.

The Excise Department is considering levying an excise tax on coffee, tea, and other caffeinated beverages to help raise 30 billion baht (\$845 million) in tax revenue to compensate for the economic slowdown and increased government spending. At present, there is no excise tax on coffee and tea. The Excise Department has the authority to raise the tax rate on these beverages without Cabinet approval.

ASEAN-Australia-New Zealand Free Trade Agreement

On February 27, the Association of South East Asian Nations (ASEAN), signed a Free Trade Agreement (AANZFTA) with Australia and New Zealand in Hua Hin, Thailand. AANZFTA is the largest Free Trade Agreement Australia and New Zealand have signed, and the most comprehensive FTA ASEAN has ever concluded. Despite the newly gained market access for Australia and New Zealand, competition on agricultural products in the Thai market for U.S. companies remains unchanged. AANZFTA does not represent any greater tariff reductions or preferential treatments than Australia and New Zealand already receive under their direct FTA with Thailand.

MARKET OPPORTUNITIES

Cochran Fellowship Program Interview Process is Underway

The Office of Agricultural Affairs in Thailand is interviewing with program candidates from the Thai public and private sectors. This year, there are four Cochran programs approved for Thailand, including U.S. Food Safety Training, Food Labeling: Nutrition Labeling and Nutrition Claims, Laboratory Training and Agricultural Rule Making on Biotech.

DVD/VDO Products Presentations

FAS/Bangkok can help you arrange a one-on-one meeting with Thai importers via digital video conferencing (DVC). Please contact us for more information if you are interested in holding a DVC with Thai buyers. You can contact our office at agbangkok@fas.usda.gov

Showcase Your U.S. Food and Agricultural Products

FAS/Bangkok has initiated the “New Product Showcase Zone” in our office. The display features U.S. food and agricultural products not currently being marketed in Thailand. This is an excellent opportunity to display your products and receive feedback. Please contact AgBangkok@fas.usda.gov for additional information.

U.S. Meat Foodservices Seminar & Cooking Demonstration

U.S. Meat Export Federation (USMEF) conducted a U.S. Meat Foodservices Seminar on March 11 to hotels and restaurants chefs and other retailer representatives, followed by a cooking demonstration by American Chef Adam Levin, owner of the Dakota Prime restaurant in Hong Kong. In addition, the Sheraton Grand Sukhumvit organized a week long promotion of “American Ribs and Rumps” to promote Chef Adam’s dishes prepared with U.S. prime beef. An importer of California wines selected a variety of vintages to join this promotion. The promotion ends March 15. Please contact AgBangkok@fas.usda.gov for more information about the promotion or any upcoming promotions of U.S. beef.

American Hardwood Design Camp Exhibition at TIFF 2009

Thailand’s first International Furniture Fair (TIFF) took place at The Challenger, IMPACT, Munag Thong Thani, Bangkok, March 11-15. The exhibition showcased ten furniture pieces designed using American hardwoods. These innovative designs were developed by 10 student teams through a cooperative activity between FAS/Bangkok, the American Hardwood Export Council, and the Thai Furniture Industry. Please contact AgBangkok@fas.usda.gov for more information about the design camp and future opportunities for U.S. hardwoods in Thailand.

UPCOMING EVENTS

All Things Organic Conference and Trade Show

The Organic Trade Association (OTA) is in a process of selecting four Thai buyers to participate in the North America’s premier all-organic Conference and Trade Show during June 14-19. The OTA will covers cost of international flights, show entrance fee, and accommodations to the sponsoring participants.